



The voice of mid-size communications companies

October 13, 2016

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

**Re: *Ex Parte* Communications: WC Docket Nos. 16-143, 10-90 and 05-25,
RM-10593**

Dear Ms. Dortch:

On October 11, 2016, I participated in a widely-attended gathering in Thomas, West Virginia regarding broadband connectivity in West Virginia. Alongside U.S. Senator Joe Manchin of West Virginia, one of the featured speakers at the event was Chairman Wheeler, and he was accompanied by Ryan Palmer, Chief of the Wireline Competition Bureau's Telecommunications Access Policy Division. Also in attendance were other West Virginia federal, state, and local officials, local business owners and residents, and representatives from numerous communications companies and associations.

First, I thanked Chairman Wheeler, Mr. Palmer, and Senator Manchin for their respective actions to implement, and support of, Connect America Fund Phase II – which ITTA's price cap members enthusiastically embraced – as well as the Commission's order this past spring, in which ITTA played a pivotal role, to adopt new support mechanisms for rate-of-return carriers, which will also spur broadband deployment in rural areas of West Virginia and nationwide.

Second, responding to earlier discussion at the event regarding the order circulated to the Commission last week in the business data services proceeding, as well as the touted benefits the order will have towards stimulating deployment of 5G wireless services, I maintained that the action under consideration by the Commission may have devastating effects on rural broadband. I elaborated that depriving rural incumbent LECs of reasonable return on their investment via drastic price cuts will lead to an *unvirtuous* cycle, whereby the loss of revenue from existing broadband data connections will lead to significant job losses and a substantial diminution in capital expenditure resources to reinvest in rural broadband, and where rural incumbent LECs will be disincented from deploying new backhaul connections on which 5G services will rely. The end result actually will be thwarting of 5G deployment.

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Please do not hesitate to contact the undersigned with any questions regarding this submission.

Respectfully submitted,

/s/

Michael J. Jacobs
Vice President, Regulatory Affairs